

**LEMON GROVE CITY COUNCIL  
AGENDA ITEM SUMMARY**

Item No. 1.C  
Mtg. Date August 1, 2017  
Dept. City Attorney

**Item Title:** Resolution of the City Council of the City of Lemon Grove, California Adjusting the Campaign Contribution Limits for City Council Candidates Pursuant to Lemon Grove Municipal Code Section 9.08.030(E) From \$1050 to \$1090

**Staff Contact:** James P. Lough, City Attorney

**Recommendation:**

Adopt the attached Resolution making the required bi-annual adjustment to the campaign contribution limit, thereby adjusting the limit from \$1,050 to \$1,090.

**Item Summary:**

The attached resolution (**Attachment B**) approves the adjustment of maximum campaign contributions to Lemon Grove City Council Candidates that must occur every two years pursuant to Lemon Grove Municipal Code Section 9.08.030(E). The Consumer Price Index for the San Diego Region gained approximately 3.6 percent in 2015-2016.

**Fiscal Impact:**

None.

**Environmental Review:**

- ☒ Not subject to review  
☐ Categorically Exempt

- ☐ Negative Declaration  
☐ Mitigated Negative Declaration

**Public Information:**

- ☒ None                      ☐ Newsletter article                      ☐ Tribal Government Consultation Request  
☐ Notice published in local newspaper                      ☐ Notice to property owners within 500 ft.

**Attachments:**

- A. Staff Report  
B. Resolution



## LEMON GROVE CITY COUNCIL STAFF REPORT

Item No. 1.C  
Mtg. Date August 1, 2017

Item Title: **Resolution of the City Council of the City of Lemon Grove, California Adjusting the Campaign Contribution Limits for City Council Candidates Pursuant to Lemon Grove Municipal Code Section 9.08.030(E) From \$1050 to \$1090**

Staff Contact: James P. Lough, City Attorney

### Background:

In 2011, the City Council reviewed the City's Campaign contribution limits and related regulations. Based on that review, the Council adopted an ordinance which incorporated a cost of living factor into the maximum campaign contribution limits. In 2015, using the 2013-2014 CPI factor, the contribution limit was adjusted to \$1,050. Using 2015-2016 CPI factor, it will be adjusted to \$1,090. These actions are based on court decisions which require periodic adjustments to contribution limits. The Council agreed to use the Federal Urban Cost of Living Index for the San Diego Region as its benchmark.

### Discussion:

The attached resolution (**Attachment B**) raises the campaign contribution limit for the 2017-2018 cycle from \$1,050 to \$1,090. This is based on the cost of living index for the years 2015-2016 of 3.6 percent (**Attachment B - Exhibit 1**). The ordinance requires the amount to be rounded off to the nearest five dollar increment. The Municipal Code Section states as follows:

#### **9.08.030 Campaign contributions.**

A. No person other than a candidate shall make, and no campaign treasurer shall solicit or accept, any contribution which will cause the total amount contributed by such person annually (calendar year) in support of or opposite to such candidate, to exceed one thousand dollars.

B. Extensions of credit for a period of more than thirty days are prohibited. Extensions of credit of more than one thousand dollars annually are prohibited. Provided, however, a candidate may personally borrow an unlimited amount and such funds shall be considered a contribution by the candidate him or herself; provided, further, that such transaction is fully disclosed and documented in accordance with applicable law.

C. The terms of this section are applicable to any contributions made to a candidate or committee hereunder, whether used by such candidate or committee to finance a current campaign, to pay deficits incurred in prior campaigns or otherwise.

D. If any person is found guilty of violating the terms of this section, the amount of funds received constituting such violation shall be paid by the candidate or committee treasurer who received such funds to the city treasurer for deposit in the general fund of the city.

E. The one-thousand-dollar limit specified in subsection A, shall be adjusted in February of each odd numbered year commencing in 2013 for changes in the consumer price index for the San Diego Metropolitan Area, CPI-U rounded to the nearest five dollars or other comparable cost of living index chosen by the City Council. (Ord. 406 § 3, 2011).

### Conclusion:

Staff recommends that the City Council adopts the resolution (**Attachment B**) approving the adjustment to the campaign contribution limit.



RESOLUTION NO. 2017 -

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LEMON GROVE, CALIFORNIA  
ADJUSTING THE CAMPAIGN CONTRIBUTION LIMIT FOR CITY COUNCIL CANDIDATES  
BASED ON THE CONSUMER PRICE INDEX (2015-2016)

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**WHEREAS**, in 2011, the City Council established campaign contribution limits for City Council campaigns at one-thousand dollars (\$1,000.00) per person; and

**WHEREAS**, Lemon Grove Municipal Code Section 9.08.030(E) establishes a bi-annual cost of living adjustment to be approved every odd-numbered year beginning in 2017; and

**WHEREAS**, bi-annual adjustments have been made, with the last adjustment in 2015, setting the amount at \$1050; and

**WHEREAS**, the cost of living, according to the Federal Consumer Price Index-Urban (*Exhibit 1*) established a 3.6% increase in the cost of living for 2015-2016 to \$1,090.00 per contribution; and

**WHEREAS**, rounding off the increase to the nearest five-dollar increment, the City Council hereby finds that the increase shall be forty dollars for the calendar years 2017-2018, or until further adjusted.

**NOW THEREFORE**, the City Council of the City of Lemon Grove, California hereby resolves that:

1. That the foregoing recitals are true and correct; and
2. That the City Council hereby establishes the City Council Campaign Contribution limitation for 2017-2018 at one thousand, ninety dollars (\$1,090.00); and
3. All previous resolutions adjusting the contribution limits are hereby repealed.

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# NEWS RELEASE

## BUREAU OF LABOR STATISTICS

U. S. DEPARTMENT OF LABOR



For Release: Friday, July 14, 2017

17-987-SAN

WESTERN INFORMATION OFFICE: San Francisco, Calif.

Technical information: (415) 625-2270 BLSinfoSF@bls.gov www.bls.gov/regions/west

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### Consumer Price Index, San Diego - First Half 2017

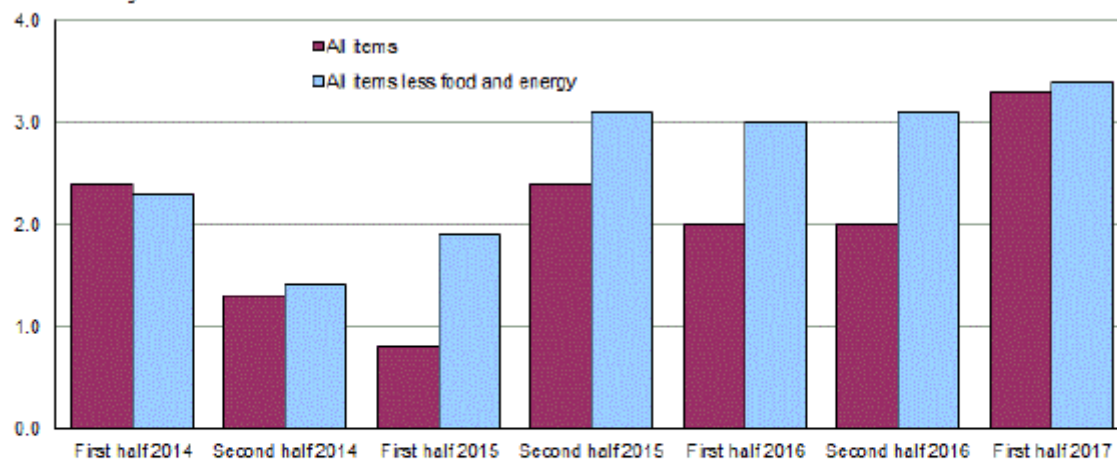
Area prices were up 1.7 percent over the past six months, up 3.3 percent from a year ago

Prices in the San Diego Area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), advanced 1.7 percent in the first half of 2017, the U.S. Bureau of Labor Statistics reported today. (See [table A](#).) Assistant Commissioner for Regional Operations Richard Holden noted that the six-month increase was influenced by higher prices for shelter. (Data in this report are not seasonally adjusted. Accordingly, six-month-to-six-month changes may reflect seasonal influences.)

Over the last 12 months, the CPI-U rose 3.3 percent. (See [chart 1](#) and [table A](#).) Energy prices rose 9.3 percent, largely the result of an increase in the price of gasoline. The index for all items less food and energy rose 3.4 percent over the year. (See [table 1](#).)

**Chart 1. Over the year percent change in CPI-U, San Diego, first half 2014–first half 2017**

Percent change



Source: U.S. Bureau of Labor Statistics.

### Food

Food prices rose 0.4 percent in the first half of 2017. (See [table 1](#).) Prices for food at home increased 1.2 percent, while prices for food away from home decreased 0.5 percent for the same period.

Over the year, food prices edged up 0.1 percent. Prices for food away from home advanced 0.3 percent since a year ago, while prices for food at home were unchanged.

## Attachment B - Exhibit 1

### Energy

The energy index increased 6.1 percent since the second half of 2016. The increase was mainly due to higher prices for gasoline (7.7 percent). Prices for electricity increased 5.4 percent, while prices for natural gas service were unchanged for the same period.

Energy prices rose 9.3 percent over the year, largely due to higher prices for gasoline (8.3 percent). Prices paid for electricity and natural gas service rose 11.4 percent and 10.5 percent, respectively, during the past year.

### All items less food and energy

The index for all items less food and energy rose 1.6 percent in the latest-six month period. Higher prices for apparel (5.3 percent), other goods and services (3.8 percent), and shelter (1.9 percent) were partially offset by lower prices for education and communication (-1.4 percent) and household furnishings and operations (-1.3 percent).

Over the year, the index for all items less food and energy rose 3.4 percent. Components contributing to the increase included apparel (10.9 percent), shelter (4.5 percent), and recreation (4.3 percent). Partly offsetting the increases was a price decline in education and communication (-1.5 percent).

Table A. San Diego CPI-U monthly and annual percent changes (not seasonally adjusted)

Month	2012		2013		2014		2015		2016		2017	
	Semi-annual	Annual	Semi-annual	Annual	Semi-annual	Annual	Semi-annual	Annual	Semi-annual	Annual	Semi-annual	Annual
First Half .....	1.3	1.7	0.6	0.9	1.4	2.4	0.9	0.8	0.4	2.0	1.7	3.3
Second Half .....	0.3	1.5	1.1	1.7	-0.1	1.3	1.6	2.4	1.5	2.0		

The Second Half 2017 Consumer Price Index for the San Diego is scheduled to be released mid-January 2018.

### Consumer Price Index Geographic Revision for 2018

In January 2018, BLS will introduce a new geographic area sample for the Consumer Price Index (CPI). This index will change to a bimonthly publication schedule beginning in January, 2018. The first indexes using the new structure will be published in February 2018. Additional information on the geographic revision is available at: [www.bls.gov/cpi/georevision2018.htm](http://www.bls.gov/cpi/georevision2018.htm).

### Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.



## Attachment B - Exhibit 1

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 6,000 housing units and approximately 24,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at [www.bls.gov/cpi](http://www.bls.gov/cpi) and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at [www.bls.gov/opub/hom/homch17\\_a.htm](http://www.bls.gov/opub/hom/homch17_a.htm).

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **NOTE: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.**

The San Diego, CA metropolitan area covered in this release consists of San Diego County in the State of California.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

# Attachment B - Exhibit 1

**Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes for semiannual averages and percent changes for selected periods San Diego, CA (1982-84=100 unless otherwise noted)**

Item and Group	Semiannual average indexes			Percent change to 1st half 2017 from-	
	1st half 2016	2nd half 2016	1st half 2017	1st half 2016	2nd half 2016
<b>Expenditure category</b>					
All items.....	272.628	276.837	281.561	3.3	1.7
All items (1967=100).....	921.839	936.069	952.043	-	-
Food and beverages.....	250.802	249.953	251.054	0.1	0.4
Food.....	247.968	247.261	248.274	0.1	0.4
Food at home.....	224.494	221.896	224.516	0.0	1.2
Food away from home.....	278.205	280.339	278.933	0.3	-0.5
Alcoholic beverages.....	271.582	269.043	271.156	-0.2	0.8
Housing.....	310.972	318.689	324.086	4.2	1.7
Shelter.....	350.446	359.328	366.122	4.5	1.9
Rent of primary residence.....	343.020	350.857	361.348	5.3	3.0
Owners' equiv. rent of residences(1).....	372.674	379.648	386.679	3.8	1.9
Owners' equiv. rent of primary residence(1).....	372.674	379.648	386.679	3.8	1.9
Fuels and utilities.....	284.088	297.785	307.267	8.2	3.2
Household energy.....	244.828	260.242	270.931	10.7	4.1
Energy services.....	240.003	256.076	266.827	11.2	4.2
Electricity.....	233.377	246.655	259.907	11.4	5.4
Utility (piped) gas service.....	185.479	204.947	204.875	10.5	0.0
Household furnishings and operations.....	183.793	184.004	181.619	-1.2	-1.3
Apparel.....	146.727	154.573	162.789	10.9	5.3
Transportation.....	205.418	205.124	213.765	4.1	4.2
Private transportation.....	196.071	196.296	205.400	4.8	4.6
Motor fuel.....	219.589	220.884	237.819	8.3	7.7
Gasoline (all types).....	219.773	220.989	237.910	8.3	7.7
Gasoline, unleaded regular(2).....	227.481	228.832	246.440	8.3	7.7
Gasoline, unleaded midgrade(2)(3).....	189.936	192.187	206.095	8.5	7.2
Gasoline, unleaded premium(2).....	225.955	226.391	243.429	7.7	7.5
Medical care.....	-	-	-	-	-
Recreation(4).....	149.835	155.012	156.316	4.3	0.8
Education and communication(4).....	145.529	145.421	143.358	-1.5	-1.4
Other goods and services.....	376.381	376.440	390.846	3.8	3.8
<b>Commodity and service group</b>					
All items.....	272.628	276.837	281.561	3.3	1.7
Commodities.....	193.789	193.756	196.843	1.6	1.6
Commodities less food & beverages.....	163.718	164.100	168.180	2.7	2.5
Nondurables less food & beverages.....	182.225	185.256	192.748	5.8	4.0
Durables.....	145.336	142.460	142.441	-2.0	0.0
Services.....	342.113	350.117	356.289	4.1	1.8
<b>Special aggregate indexes</b>					
All items less medical care.....	264.169	268.293	273.132	3.4	1.8
All items less shelter.....	242.232	244.491	248.381	2.5	1.6
Commodities less food.....	168.454	168.727	172.749	2.5	2.4
Nondurables.....	216.911	218.079	222.520	2.6	2.0
Nondurables less food.....	189.833	192.515	199.708	5.2	3.7
Services less rent of shelter(1).....	350.633	357.854	363.498	3.7	1.6
Services less medical care services.....	330.490	338.590	344.987	4.4	1.9
Energy.....	225.813	232.520	246.783	9.3	6.1
All items less energy.....	278.406	282.473	286.556	2.9	1.4

Note: See footnotes at end of table.

## Attachment B - Exhibit 1

**Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes for semiannual averages and percent changes for selected periods San Diego, CA (1982-84=100 unless otherwise noted) - Continued**

Item and Group	Semiannual average indexes			Percent change to 1st half 2017 from-	
	1st half 2016	2nd half 2016	1st half 2017	1st half 2016	2nd half 2016
All items less food and energy .....	285.278	290.280	294.989	3.4	1.6

Footnotes(1) Index is on a December 1982=100 base.

(2) Special index based on a substantially smaller sample.

(3) Indexes on a December 1993=100 base.

(4) Indexes on a December 1997=100 base.

- Data not available.